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Attorney for Citizens National Bank, a division  
of Farmers National Bank of Seymour

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
AMARILLO DIVISION**

<b>IN RE:</b>	§	<b>CASE NO. 10-20170-RLJ-11</b>
	§	
	§	<b>JOINTLY ADMINISTERED UNDER</b>
<b>BORGER HOSPITALITY, INC.</b>	§	<b>CASE NO. 10-20166-RLJ-11</b>
	§	
	§	<b>If a timely answer is filed, a docket</b>
	§	<b>call on this Motion will be held at</b>
<b>DEBTOR</b>	§	<b>1:30 p.m. on June 10, 2010</b>

**MOTION FOR RELIEF FROM STAY**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

NOW COMES Citizens National Bank, a division of Farmers National Bank of Seymour, hereinafter referred to as Movant, and files this Motion for Relief From Stay, and in support thereof would respectfully show the Court as follows:

1. This is a proceeding under 11 U.S.C. §362(d) to vacate the automatic stay so as to permit foreclosure of a lien on property of the estate. This is a core proceeding over which this Court has jurisdiction pursuant to 28 U.S.C. §§157 and 1334.

2. Debtor filed its Voluntary Petition under Chapter 11 on March 12, 2010. A Plan has not been proposed or confirmed.

3. Movant is a secured creditor of the above named Debtor and holds valid Deeds of Trust liens on the following described parcel of real estate owned by the Debtor (the "Property") and more fully described in Deeds of Trust attached hereto and incorporated herein for all purposes.

4. True and correct copies of the three Notes owed by Debtor to Movant and the three Deeds of Trust securing said Notes are attached hereto as Exhibits "A", "B", "C", "D", "E" and "F" and incorporated herein for all purposes. Pursuant to several extension agreements, all three Notes matured and became fully due and payable on March 2 , 2010.

5. The amounts now due and owing Movant on the Notes secured by said Deeds of Trust are as follows:

<b><u>Note Number</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Per Diem</u></b>
191688	\$2,115,000.00	\$101,900.52	\$376.64
11186	\$ 388,500.00	\$ 11,891.65	\$ 63.86
11187	\$ 350,000.00	\$ 8,084.22	\$ 62.33

6. The shareholders of Debtor are co-makers on the Notes owed to Movant and some or all of said co-makers have refused to execute renewals and extensions of the past due Notes. Neither the Debtor nor any of the co-makers have paid the interest that has accrued on the Notes.

7. Debtor was in the process of constructing a motel, to be known as the Baymont Inn & Suites in Stanton, Texas, upon the Property. Movant was providing the financing for this construction. The construction costs have run substantially over the amounts originally estimated by Debtor. Although Movant has loaned in excess of the amounts originally agreed, and other

parties have loaned additional amounts, the motel is not finished and there are substantial unpaid claims related to the construction, as reflected by the Debtor's Schedules filed herein.

8. The Debtor has requested, and obtained from this Court, an Order approving post-petition financing in which Debtor estimated an additional \$130,000.00 would be required to complete the motel. Debtor further represented to Movant and the Court that upon receipt of the \$130,000.00, the motel would be completed and opened for operation within a few weeks.

9. Based upon representations of Debtor, Movant prepared a Note for the post-petition loan to be executed by Debtor and the other co-makers. However, several of the co-makers refused to sign the new Note and Movant has since learned that as much as \$300,000.00 will be required to finish the motel and it will take substantially longer to complete.

10. Some of the principals and owners of the Debtor, including Harish Patel, the President, are also principals and owners in as many as nine other corporations which own and operate motels, including five others which are also currently in Chapter 11 bankruptcy, and being jointly administered with this case. Upon information and belief, Movant believes that the Debtor's current management is not able to devote the time and energy necessary to this Debtor's Chapter 11 proceeding and its financial affairs and it is unable to see to the timely and efficient completion of the construction project and the opening of the motel. Debtor's President, Harish Patel, has, on several occasions, told bank officers of Movant that he was giving up, not going to go any further with this project, and that he was "giving the keys" to Movant.

11. There are numerous liens and encumbrances on the Property, in addition to Movant's liens, and in its unfinished state, in this current bad economy, there is no equity in the Property for the benefit of unsecured creditors.

12. Movant's interest in the Property is not being adequately protected in that it is not receiving interest or adequate protection payments, construction has ceased and there is no representative of the Debtor on site to secure the Property or protect it from vandals and thieves. The Debtor has previously allowed the insurance to lapse.

13. In light of the numerous secured claims in this case, the refusal of the Debtor's shareholders to contribute more capital to the Debtor, and the several other Chapter 11 cases in which some of these same shareholders are involved, this Debtor has no hope of a successful reorganization. Movant requests the Court grant relief from the automatic stay under §362(d)(1) for cause, including lack of adequate protection, and under §362(d)(2) as the Debtor does not have equity in the Property and the Property is not necessary to an effective reorganization, and allow Movant to foreclose upon the Property pursuant to the terms of the Deeds of Trust and applicable law.

WHEREFORE, Movant, Citizens National Bank, a division of Farmers National Bank of Seymour, prays that upon final hearing of this matter, the stay under 11 U.S.C. §362(a) be vacated as against Movant so as to permit Movant to commence foreclosure of its Deeds of Trust and for such other and further relief, at law or in equity, to which Movant may show itself to be justly entitled.

Respectfully submitted,

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By: /s/ Dick Harris  
DICK HARRIS  
State Bar No. 09056200  
Attorney for Citizens National Bank, a  
division of Farmers National Bank of Seymour

**NOTICE**

**NO HEARING WILL BE CONDUCTED HEREON UNLESS A WRITTEN RESPONSE IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AT P.O. BOX 15960, AMARILLO, TEXAS 79105-0960 BEFORE THE CLOSE OF BUSINESS ELEVEN DAYS FROM THE SERVICE OF THIS MOTION. IF SERVICE IS BY MAIL, THREE ADDITIONAL DAYS ARE ALLOWED PURSUANT TO FED. R. BANKR. P. 9006(f).**

**ANY RESPONSE MUST BE IN WRITING, FILED WITH THE CLERK AND A COPY SERVED UPON COUNSEL FOR THE MOVING PARTY WITHIN THE TIME DESCRIBED ABOVE. IF NO RESPONSE IS TIMELY FILED, THE RELIEF REQUESTED SHALL BE DEEMED UNOPPOSED AND THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT.**

**IF A RESPONSE IS FILED, A DOCKET CALL ON THE MOTION WILL BE HELD AT 1:30 P.M. ON JUNE 10, 2010 IN ROOM 100, 624 SOUTH POLK STREET, AMARILLO, TEXAS. THE RESPONSE MUST CONTAIN THE INFORMATION REQUIRED BY N.D. TEX. L.B.R. 4001.1(b).**

/s/ Dick Harris  
DICK HARRIS

**CERTIFICATE OF CONFERENCE**

I do hereby certify that on the 7th day of May, 2010 I attempted to contact Bill Kinhead, attorney for Debtor, about this Motion but he was not in his office. I did speak with John Massouh, attorney for the Debtor's shareholders, and he advised me that he could not agree to the Motion at this time.

/s/ Dick Harris  
\_\_\_\_\_  
DICK HARRIS

**CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the above and foregoing Motion for Relief From Stay was sent by ECF and/or First Class Mail, postage prepaid, to the below listed parties on the 7th day of May, 2010:

Bill Kinhead  
Attorney for Debtor  
6937 S. Bell, Suite G  
Amarillo, TX 79109

Borger Hospitality, Inc.  
Debtor  
1424 Riverside Road  
Roanoke, TX 76262-4409

United States Trustee  
1100 Commerce Street, #976  
Dallas, TX 75242

All creditors and parties in interest who filed  
a Notice of Appearance herein

/s/ Dick Harris  
\_\_\_\_\_  
DICK HARRIS

*C:\Share\WP-DIRS\CitizensFarmers\Borger Hospitality\mns.wpd*

## **SUMMARY OF EXHIBITS**

- Exhibit "A"                      Promissory Note (Note No. 191688) dated January 15, 2008, to be effective February 1, 2008, executed by Borger Hospitality, Inc., Harish L. Patel, Chetan M. Parikh, Preyesh R. Kumar, Deepa Patel Floyd, Devangi Desai, Robert W. Stiles, William G. Stiles and Yogesh B. Parikh to Citizens National Bank of Childress, a Division of Farmers National Bank of Seymour
- Exhibit "B"                      Promissory Note (Note No. 11186) dated October 2, 2009 executed by Borger Hospitality, Inc., Harish L. Patel, Chetan M. Parikh, Preyesh R. Kumar, Deepa Patel Floyd, Devangi Desai, Robert W. Stiles, William G. Stiles and Yogesh B. Parikh to Citizens National Bank of Childress, a Division of Farmers National Bank of Seymour
- Exhibit "C"                      Promissory Note (Note No. 11187) dated October 2, 2009 executed by Borger Hospitality, Inc., Harish L. Patel, Chetan M. Parikh, Preyesh R. Kumar, Deepa Patel Floyd, Devangi Desai, Robert W. Stiles, William G. Stiles and Yogesh B. Parikh to Citizens National Bank of Childress, a Division of Farmers National Bank of Seymour
- Exhibit "D"                      Deed of Trust (Security Agreement, Assignment of Leases, Assignment of Rents, and Financing Statement) dated January 15, 2008, to be effective February 1, 2008, executed by Borger Hospitality, Inc., Harish L. Patel, Chetan M. Parikh, Preyesh R. Kumar, Deepa Patel Floyd, Devangi Desai, Robert W. Stiles, William G. Stiles and Yogesh B. Parikh to Citizens National Bank of Childress, a Division of Farmers National Bank of Seymour
- Exhibit "E"                      Deed of Trust (Security Agreement, Assignment of Leases, Assignment of Rents, and Financing Statement) dated October 2, 2009 executed by Borger Hospitality, Inc., Harish L. Patel, Chetan M. Parikh, Preyesh R. Kumar, Deepa Patel Floyd, Devangi Desai, Robert W. Stiles, William G. Stiles and Yogesh B. Parikh to Citizens National Bank of Childress, a Division of Farmers National Bank of Seymour
- Exhibit "F"                      Deed of Trust (Security Agreement, Assignment of Leases, Assignment of Rents, and Financing Statement) dated October 2, 2009 executed by Borger Hospitality, Inc., Harish L. Patel, Chetan M. Parikh, Preyesh R. Kumar, Deepa Patel Floyd, Devangi Desai, Robert W. Stiles, William G. Stiles and Yogesh B. Parikh to Citizens National Bank of Childress, a Division of Farmers National Bank of Seymour